19 50 S1 **File No.** 2004/36

B CLASS P.W. **DEPARTMENT**

EL **BRANCH** (1).

Subject:— Supply of Jog Power in Karnataka sub-Station Equipment

IV

File No. 2004/36.

Std. Sectt. Slip 24-A

VERY URGENT.

- Electric Grid Offices.

Subject:- Supply of Jog power in Karnatak.

As Government are aware, I had forwarded our specifications for the sub-station equipment, switchgear, condensers, transformers, etc. to the Director-General of Industries and Supplies, New Delhi, for inviting tenders. I had also previously issued these specifications to some firms, who were also asked to forward their tenders to the Director-General of Industries and Supplies. This Officer gave some extension of time to the tenderers. He has now sent to me the tenders received by him and a statement of analysis of them. His recommendation is to place the whole order with the English Electric Co., their price at that time being the lowest, viz. Rs. 30.7 lakhs. Subsequently the Co. have communicated to us a slight increase, making their price Rs.30.8 lakhs. The final analysis thus shows that the lowest price combination will be that of (1) English Electric Co. (for transformers) and (2) the B.T.H. Co. (Other equipment) - both of the U.K.. The total price of the equipment if ordered from these two firms is about Rs.30,75,800/-. Both are first class makers and their equipment is technically acceptable. The delivery period of transformers is 12 to 30 months and that of the other equipment is 18 to 30 months both ex-Works, from the date of availability of import licence.

2. The price quoted by an American concern namely the International General Electric Co. for their equipment is about Rs.41.7 lakhs. The tendered delivery is 5 to 10 months ex-wor In other words, the price is about Rs.11/- lakh

higher but the delivery period is substantially less. To the British price mentioned in the first para should be added about Rs.5/- lakhs for additional cables and switchgear, which will be necessary because of the nature of the equipment quoted. The nett difference, therefore, between the British and American prices may be put down at about Rs.6/- lakhs. If equipment were to be purchased from the I.G.E.Co. America, in order to take advantage of the short delivery period, it will be necessary for us to purchase steel towers, conductor and insulators of Italian or French manufacture. From the latest price information available it is anticipated that the foreign steel towers may cost us somewhat less than the Indian steel towers. The price of conductor - whether Indian or foreign - will be about the same. Insulators in any case will be of foreign manufacture. It is estimated that if no undue delay takes place in placing the orders for the American equipment, and Italian or French steel towers, conductors and insulators, instead of the British equipment, Indian towers and conductors, the date of electric supply may be expected to be advanced by some 15 months.

3. Nett price difference of Rs.6/- lakhs between the British offer (para. 1) and the American one (para. 2), may possibly be reduced to some extent by the possible increase in British prices under the Price Variation Clause. The American price is fixed. It will be noted that in all cases, payment has to be made by instalments during the course of manufacture. We will, therefore, have to lay out our money without earning any return for a much longer period if we order the British equipment than if we do the American. Saving in interest charges on our investment on account of earlier completion by some 15 months is likely substantially to counterbalance

the higher price paid for the American equipment. But the compelling argument in favour of the American equipment and non-Indian towers and conductors is that the people of Karnatak will get electric supply some 15 month earlier than otherwise.

4. As Government are aware, U.S. currency is a hard-one for India. Recently, the Govt. of India have also directed that steel towers for electric transmission should be of Indian steel. Likewise, conductor is being manufactured in Travancore. However, the delivery of Indian towers and conductor is such that we will not be able to take advantage of the quicker delivery of the American equipment. We must, therefore, order foreign (French or Italian) towers and conductors and insulators. The Govt. of India have, it would appear from the newspaper reports, allowed the import of about 100,000 tons of foreign steel during the current year. It has also come to my knowledge that in order to advance the date of electric supply the Govt. of Madras were allowed recently to import Italian towers. Same was the case in connection with the Nangal H.E. Scheme. In view of the considerable advantage involved in advancing the date of electric supply in Karnatak by 15 months, I am of the opinion that the Govt. of India should be pressed to allocate dollars for this scheme as well as to permit purchase of Italian or French towers, conductor and insulators. If Government approve of this, I shall inform the Director-General of Industries and Supplies accordingly and give him the above mentioned reasons to enable him to secure the allocation

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of the requisite dollars as well as permission for the import of steel towers etc. from abroad. I shall also simultaneously address the Central Electricity Commission for their support. If necessary I may pay a visit to New Delhi for the purpose.

5. I shall be glad to know the wishes of Government in the matter as soon as possible.

P.T.A. 16/5/50

The Secy. to Govt., (Shri Bedekar),
P.W.D., Bombay.

U.O.R.No. T8/12/10623

Bombay 1: 16th May, 1950.

k.16.5.

H.M. agrees when I have discussed, approves the proposal to purchase American equipment & non-Indian towers & conductors, since H.M. understands (from his recent conversation with Shri C.C. Desai, Secy Min. of Comm.) that dollars will be made available.

Before visiting Delhi I found out from the Elec Comm. should we go. They confirm that the engineering works will be completed in time & will not cause any delay.

OFFICE OF THE ELECTRICAL COMMISSIONER WITH THE GOVERNMENT OF BOMBAY
Inward No. 15782 Date 23/5

E I Br I 20/5

W. D. 2004/36

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V. urgent

Diarised Comm. & Dk. 5-57 Serial No. 4023 S.

4/5/50

Below U.OR. P,W.D.No. 2004/36/40235 dated 22-5-50.

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ELECTRIC GRID OFFICES.

The works in question comprise -

a) transmission and distribution lines,

b) sub-stations comprising control equipment,transformers and condensers, etc. and

c) technical and residential buildings.

2. The work connected with the above items consists of

i) design, issue of specifications and assistance to the Director General of Industries and Supplies to place orders for materials and equipment.

ii) Construction.

3. i) Design and issue of specifications :

a) Transmission and distribution lines :- These have been designed and the specifications are ready for issue through the Director General of Industries and Supplies.

b) Sub-stations :- Designs were completed and specifications issued to tenderers through the Director General of Industries and Supplies. Tenders have been received and it has been proposed to Government that orders should be placed in America.

c) Technical and residential buildings :-

Although considerable work in connection with the design and specifications of these buildings has already beendone in connection with other schemes like the North Gujarat Scheme, yet before tenders can be invited and contracts placed, considerable amount of local work will be necessary for which civil engineering staff will be required.

ii) Construction work :-

a) transmission and distribution lines.

b) Sub-stations.

c) technical and residential buildings.

Contract for survey work in connection with the transmission and distribution lines has already been awarded and work is in progress. The erection work of the transmission and distribution lines, and sub-station equipment as well as construction

of-

of buildings will be given out on contract. It will, however, be necessary to arrange for adequate supervision of the contractors' work.

4. To enable us to take advantage of the short delivery of the American equipment it will be necessary to make available the following categories of staff :-

a) Civil Engineering, staff :- This staff is required for the design and preparation of specifications, inviting and scrutinising tenders for technical and residential buildings and later to supervise the contractors' work both in the matter of construction of buildings as well as setting up of transmission and distribution towers. They will be assisted in the latter work by one of the Assistant Engineers (Electrical and Mechanical) mentioned in b) below. The Civil Engineering staff required is :

1 Executive Engineer.

3 Assistant Engineers (Civil) and connected technical and ministerial staff.

b) Electrical and Mechanical staff:- The immediate requirement is :-

One Executive Engineer (Electrical & Mechanical),

Two Assistant Engineers and connected technical staff.

Government has already sanctioned one Executive Engineer, (Electrical and Mechanical) and one Assistant Engineer (Electrical and Mechanical). One more post of Assistant Engineer (Electrical and Mechanical) is required to be sanctioned. So far as the sanctioned post of Executive Engineer is concerned, I would urge the immediate appointment of Shri R.P. Patel of the Central Electricity Commission vide my u.o.r.(confidential) No.E4/272 dated 16th May 1950 in Government file No. 1668/48/25357. As regards the sanctioned post of Assistant Engineer(Electrical and Mechanical), I have, in order to expedite the work, made a temporary appointment under the powers vested in me and steps may be taken by Government to appoint a permanent man

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A as soon as possible. Meanwhile I may be allowed to continue him till Government appoints a man through the Public Service Commission. As regards the post of Assistant Engineer Electrical and Mechanical) to be sanctioned, I expect to be able to make temporary arrangements till a suitable man is appointed by Government.

5. For the Civil Engineering staff mentioned in para.4(a) above, and one Assistant Engineer (Electrical & Mechanical) mentioned in (b) above, proposals have been submitted to Government vide my letter No.E.229/11552 dated 26th May 1950. Appreciating the difficulty of recruiting Civil Engineers experienced in this type of work, it is intended to propose to

B Government that Shri Sathe at present Executive Engineer,(Civil) Nadiad North Gujarat Scheme (originally recruited from Tata Hydros) be transferred for Jog work and Shri Deshmukh (a Public Works Department officer on loan to Electric Grid) who has been working under Shri Sathe as an Assistant Engineer for some years and is therefore experienced in this type of work be promoted as Executive Engineer to take over from Shri Sathe. If this is done we will require only 4 Assistant Engineers (Civil), two

C in July 1950(one to replace Shri Deshmukh), one in October 1950 and one in January/February 1951. If direct recruitment does not yield results it should not be difficult for Public Works Department to spare men from the divisions proposed to be retrenched. Two Assistant Engineers (Civil),it will be noted, must be made available in July next and these will have to be from the retrenched personnel.

6. It will be noted that the staff may be the principal difficulty. If my above proposals are, however, adopted that difficulty can be surmounted. Subject to this, the local works can be made ready to take advantage of the short delivery of the American electrical equipment and continental towers and conductors. I would again strongly recommend adoption of my proposals.

El.B I
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The Secretary to Government,
Public Works Department,
Bombay.

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26/5/50.

U.O.R.No.T/8/12/11551
Bombay 1: 26th May 1950.

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